



STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET
POST OFFICE BOX 94397
TELEPHONE: (225) 339-3800
FACSIMILE: (225) 339-3870

January 31, 2007

Mr. Ronald Buschel, Acting Executive Director,
and Members of the District Five
Road and Public Works Commission
St. Landry Parish
Post Office Box 86
LeBeau, Louisiana 71345

Dear Mr. Buschel:

We applied our *Checklist of Best Practices in Government* in providing advisory services for the District Five Road and Public Works Commission's (district) business office. This letter contains our recommendations resulting from our assessment of the current procedures and practices of the district's business office.

Our recommendations are intended to improve controls over financial operations, provide advice in implementing good business practices, and ensure compliance with state laws. However, management of the district should consider the cost of implementing our recommendations compared to the benefits they will provide. The response from management of the district is included in Attachment I to this letter.

This assessment is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards; therefore, we are not offering an opinion on the district's financial statements or system of internal control nor assurance as to compliance with laws and regulations.

The following are the recommendations resulting from our advisory services:

Acting Executive Director

We recommend that the district request an advisory opinion from the Louisiana Board of Ethics to clarify whether the appointment of the acting executive director by the district is prohibited under state law. In addition, the district should request an opinion from the Louisiana Attorney General as to whether the St. Landry Parish Councilman holding the office of acting executive director of the district violates the dual officeholding/dual employment laws.

Written Procedures

We recommend that formal written procedures be prepared for the various business functions of the district. Formal written office procedures ensure a clear understanding of what should be done, how it should be done, who should do it, and when it should be done and ensure the procedures followed meet management's expectations. Also, written procedures aid in the continuity of operations and for cross-training of staff.

Formal written procedures should be prepared for the following functions:

1. Preparing, adopting, monitoring, and amending the budget
2. Processing, reviewing, and approving disbursements
3. Processing, reviewing, and approving time/attendance records and payroll, including leave taken and overtime worked
4. Recording, tagging, and safeguarding capital assets
5. Dispensing and reviewing the use of gasoline/diesel fuel
6. Using district-owned credit cards (Fuelman, Visa)
7. Purchasing materials and supplies, including the checks and balances to ensure compliance with the public bid law and the documentation maintained for all bids and price quotes

Capital Improvement Program/Work Order System

As a good business practice, we recommend that the district adopt a capital improvement program that lists all projects to be completed during the fiscal year based on a prioritized ranking based on an annual assessment of the work needed.

We commend the district for having implemented a work order system that provides the date, location of the job, labor, and materials and equipment used.

Public Bid Law - We recommend that the district comply with the requirements of Louisiana Revised Statute (R.S.) 39:1710 or R.S. 33:1321-1327 when it purchases equipment and materials/supplies by piggy-backing on state contracts or contracts previously entered into by another Louisiana political subdivision. Management of the district was unable to provide us with written documentation to support the district's piggy-backing on state contracts or contracts entered into by other political subdivision's during 2006.

Mr. Ronald Buschel, Acting Executive Director
January 31, 2007
Page 3

Minutes - The district should publish the minutes of the board meetings in the district's official journal, as required by R.S. 43:171.A. (1). Currently, the minutes are prepared, but they are not published.

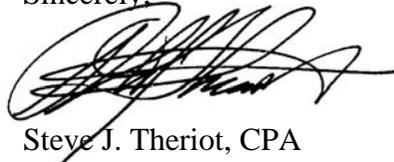
Records Retention Schedule - We recommend that the district develop and submit a records retention schedule to the state archivist (Louisiana Secretary of State Office) for approval in accordance with R.S. 44:411.

Gasoline and Diesel (Fuelman Credit Cards) - We recommend that the district either repair or replace the inoperable odometers on its vehicles. Without having operable odometers, the district is unable to use a valuable tool to analyze the reasonableness of the number of gallons received, miles traveled, and miles per gallon for each district owned vehicle.

Disaster Recovery/Business Continuity Plan - We recommend that a formal written disaster recovery/business continuity plan be prepared and tested/revised annually. Having a formal written plan is a good business practice as it will provide the steps to be performed to continue the district's operations in the event of a natural disaster, fire, or terrorist attack.

I trust this information will assist you in the efficient and effective operations of the district. Please contact me at (225) 339-3800 should you have any questions or if we can assist you in the future.

Sincerely,



Steve J. Theriot, CPA
Legislative Auditor

RLT:GLM:JSI:ss

[D5RPWC06]

cc: Mr. John Andries
Mrs. Dana Carmon
Mrs. Denise Cannatella
Mrs. Octavia Irving
Mr. Reynard Readore
Mr. Floyd Simpson
Mr. Melvin Soileau

Management's Response

*District Five Road and Public Works
Commission of St. Landry Parish*

P.O. Box 86
Lebeau, LA 71845-0086



(837) 585-6687
(800) 260-0667
(837) 585-6228

January 16, 2007

Office of Legislative Auditor
Attn: Steve J. Theriot, CPA
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Theriot:

In this letter, please find our response to the Legislative Audit which was performed by your office on *District Five Road and Public Works Commission of St. Landry Parish*.

#1. Written Procedures:

We are making arrangement to acquire assistance from a professional who is capable of correctly drafting a "Policy & Procedure Manual".

- a. the above instrument will contain procedures for budget and paying of bills
- b. the employee manual will contain time reporting procedures
- c. a capital item ownership list is maintained and permanent numbers will be installed on all items
- d. Charge Cards:
 - 1) Fuelman Cards: employees have been instructed to be very careful with fuelman cards and to report immediately any lost or suspicious activity with these cards
 - 2) VISA Cards: there are only two (2) VISA cards owned by *District Five Road and Public Works Commission of St. Landry Parish* and are not to be used without prior approval by myself
- e. public notice has been published in our public official newspaper/journal of this commission accepting bids for all road material (Affidavit of Publication attached) *have not received Affidavit from Daily World yet as of 1/16/07*

#2. This organization is a maintenance organization and only makes capital rebuild when excess money becomes available. At that time there will be a complete work up of why, when, and how the capital improvement will be done.

#3. Public Bids:

we are taking our own public bids (*certificate is included*)

#4. Minutes:

Summation of the meetings will be published in the official newspaper/journal

Better Roads Through Citizen Participation!!!

Steve J. Theriot, CPA

Page #2

- #5. Record Retention Schedule:
this organization will abide by R.S. 44:411.
- #6. Gasoline & Diesel:
the old trucks that are too expensive to repair will get wheel meters so that record of mileage can be kept
- #7. Disaster Recovery/Business Plan
this is being drawn up at present time; critical supplies will be maintained, also, auxiliary power and radios will be acquired in the future

The above is a short explanation of the process that we are trying to implement in response to the audit that was performed on this commission.

If more information is needed by your office, please feel free to call Monday - Thursday, 07:00am - 05:30pm (800-260-0667 or 337-585-6637).

Yours truly,



Ronald E. Buschel
Executive Director

REB/jas

Enclosures

*District Five Road and Public Works
Commission of St. Landry Parish*

P.O. Box 86
Lebeau, LA 71345-0086



(337) 585-6687
(800) 260-0667
(337) 585-6228

January 23, 2007

COPY

Honorable Charles C. Foti, Jr.
Louisiana Attorney General
P.O. Box 94005
Baton Rouge, LA 70804-9005

**RE: *Acting Executive Director for District Five Road and
Public Works Commission of St. Landry Parish***

Dear Sir:

We were recently audited by the Legislative Auditor, they recommend that we *obtain an opinion* from the *Louisiana Attorney General* as to whether a St. Landry Parish Councilman can be the *Acting Executive Director to District Five Road and Public Works Commission of St. Landry Parish (copy of their letter enclosed)*.

The *Acting Executive Director* serves without any compensation, he has no authority to make operation procedures nor sign any checks.

The *Acting Executive Director's* job is to convey the wishes of the Board to the Foreman, who handles day by day work load and reports to the Board of Commissioners at the monthly meetings.

If additional information is needed, please feel free to contact the Office Manager at 1-800-260-0667, Monday - Thursday, 07:00am - 05:30pm.

Yours truly,

A handwritten signature in black ink, appearing to read "John A. Andries".

John A. Andries
Vice-Chairman

JAA/jas

Enclosures

Better Roads Through Citizen Participation!!!

*District Five Road and Public Works
Commission of St. Landry Parish*

P.O. Box 86
Lébeau, LA 71845-0086



(887) 585-6687
(800) 260-0667
(887) 585-6228

January 23, 2007

Louisiana Board of Ethics
2415 Quail Drive
3rd Floor
Baton Rouge, LA 70808

COPY

**RE: *Acting Executive Director for District Five Road and
Public Works Commission of St. Landry Parish***

Dear Sir:

We were recently audited by the Legislative Auditor and a question has arisen as to the legality of *District Five Road and Public Works Commission of St. Landry Parish* having an *Acting Executive Director*. *District Five Road and Public Works Commission of St. Landry Parish* operates under R.S.48:602.

Since the Board of Commissioners is an all volunteer board that draws no compensation, they feel that they need someone to oversee the daily operation and convey their wishes to the Foreman.

We, therefore, request an advisory opinion from the Louisiana Board of Ethics (see *copy of letter enclosed*).

If additional information is needed, please feel free to contact us at 1-800-260-0667, Monday - Thursday, 07:00am - 05:30pm.

Yours truly,

A handwritten signature in cursive script, appearing to read "John A. Andries".

John A. Andries
Vice-Chairman

JAA/jas

Enclosures

Better Roads Through Citizen Participation!!!

JAN 18 2007

703685
District Five Road and
Public Works Commis-
sion of St. Landry Par-
ish located @ 6543
Highway 71, Palmetto,
LA 71358. (337) 583-6637
or (800) 260-0667 is tak-
ing bids for asphalt,
rock, and other road
supplies.

**SOUTH LOUISIANA PUBLISHING
GANNETT NEWSPAPERS**

1100 Bertrand Drive
Lafayette, LA 70506

PHONE: (337) 289-6300
FAX: (337) 289-6466

AFFIDAVIT OF PUBLICATION

COPY

**DISTRICT 5 ROAD COMMISSION
PO BOX 86
LEBEAU, LA 71345**

Account No.: 55210
Ad No.: 703685
Ad Total: \$5.50

I, Loretta Schouest, do solemnly swear that I am the LEGAL CLERK, for DAILY WORLD, a newspaper published in Opelousas, in the Parish of St. Landry, State of Louisiana; and printed in Lafayette, in the Parish of Lafayette, State of Louisiana, and that from my personal knowledge and reference to the files of said publication, the advertisement of

**TAKING BIDS FOR ASPHALT, ROCK,
AND OTHER ROAD SUPPLIES**

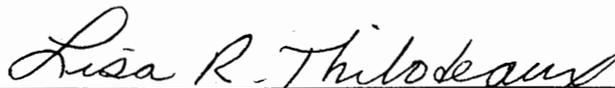
was published in **DAILY WORLD** on the following dates:

*THURSDAY, DECEMBER 14, 2006



Loretta Schouest
Legal Clerk

Sworn to and subscribed before me this 11th day of January, 2007



Notary Public - ID #014079